



**SUMMARIZED MINUTES
BOND TASK FORCE
REGULAR MEETING**

5:00 P.M. Thursday, August 11, 2011
Human Resources/Pinnacle Conference Room
7575 E Main Street, Scottsdale, AZ 85251

Call to Order/Roll Call: 5:02

Present: Charley Freericks (late arrival), Judy Frost, John Gulick III, Bill Heckman, Bob Kammerle, Joanne "Copper" Phillips, Sue Sisley

Absent: Teresa Kim Quale, Scott Nelson

The Task Force will receive public comment on agenda items as they are called. The Chair will determine the best way to receive such comments.

1. Approval of minutes from 7/28/11 meeting

Action – Chair Gulick called for a motion to approve the minutes from the July 28, 2011 meeting

Approved 6-0; Motion by Bill Heckman; 2nd Bob Kammerle

2. Presentation and discussion on legal issues related to issuance of General Obligation bonds – *Scott Ruby, Gust Rosenfeld*

Scott Ruby of the Gust Rosenfeld law firm, provided an overview of the "Basics of Government Borrowing" (handout) covering Budget Laws, Debt Restriction and General Obligation Laws.

The focus of the Task Force will be on General Obligation Bonds which are the oldest type of bond and the most secure – they are secured as to payment and by a levy of ad valorem property taxes unlimited as to rate or amount and have the least amount of risk.

3. Presentation and discussion on overview of current city debt, bonds and taxes – *Lee Guillory, City of Scottsdale Finance Manager*

The presentation outlined the various types of bonds, with a focus on the general obligation bonds that are outstanding, debt service and property tax rates.

The City currently has \$356 million in outstanding General Obligation bonds. General obligation bonds are supported by property taxes; the city has an internal policy to maintain the total property tax rate at or below \$1.50 with a current rate of \$1.10, but will rise and fall due to assessed valuations and debt service.

4. Presentation and discussion of history of Bond 2000 and Bond 2010 programs and milestones for possible bond election in 2012 – *Derek Earle, City Engineer*

The presentation focused on the history of Bond 2000 and its success compared to the unsuccessful Bond 2010 campaign.

Bond 2000 contained 9 (nine) questions with voters approving 6 (six) of those questions. The 2010 Bond program posed 2 (two) questions with no voter approval.

The pros and cons of each campaign will be addressed at future meetings; community involvement will be a key factor to the success or failure of any future bond initiatives.

5. Presentation and discussion of current status of staff work on bond projects and discussion of prioritization criteria – *Bill Peifer, Principal Project Manager*

The Bond Tactical Group's focus is to vet the initial projects and processes; the group consists of 17 city staff members and 11 sponsoring divisions – those who work directly with the Capital Project Management division.

The group will present a project package of 38 out of 123 projects for Task Force consideration for a possible bond package.

The Task Force was tasked to review the Transportation Master Plan as homework for the next meeting.

6. Update and discussion on status of Bond Task Force Work Plan – *Derek Earle, City Engineer*

Update on timeline with no changes.

7. Adjournment - **6:49**

Approved August 25, 2011

The Task Force cannot discuss or vote on items not on the Agenda, including items brought up as Task Force or public comments. If action by the Task Force is needed, the items should be placed on the next meeting's agenda to be consistent with the Arizona Open Meeting Law.



"Persons with a disability may request a reasonable accommodation by contacting Danise Stanley Folk in the Capital Project Management Division at (480) 312-2613. Requests should be made 24 hours in advance or as early as possible to allow time to arrange the accommodation."